

UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

TJQ

Opposition No. 110,125

BellSouth Corporation

THIS DISPOSITION IS NOT
CITABLE AS PRECEDENT OF THE TTAB MAY 10, 00
v.

True Interactive Yellow
Page Directories, Inc.

Before Simms, Seeherman and Quinn, Administrative Trademark
Judges.

Opinion by Quinn, Administrative Trademark Judge:

An application has been filed by True Interactive
Yellow Page Directories, Inc. to register the mark shown
below

for "advertising services, namely, placing business
information of others on a global computer network."¹

¹ Application Serial No. 75/222,802, filed January 8, 1997,
alleging dates of first use of July 24, 1996. The term "Yellow
Pages" is disclaimed. The drawing is lined for the color yellow.

Registration has been opposed by BellSouth Corporation.

In pertinent part, opposer alleges the following:

Within the areas that BellSouth Telecommunications, Inc. is certified to provide and does provide telecommunications services, BellSouth Corporation has established valuable goodwill in its "Walking Fingers" Design marks. Within these areas, BellSouth Corporation's "Walking Fingers" Design marks have become so associated with the classified directories published by BAPCO for BellSouth Telecommunications, Inc. that any mark which includes a "Walking Fingers" design, as applied to classified telephone directories and/or related goods and services is likely to cause confusion, or to cause mistake, or to deceive.

In particular, opposer pleaded ownership of the marks shown below (the one on the right being the subject of Registration No. 1,327,713, issued March 11, 1980, Section 8 affidavit filed and accepted).

Applicant, in its answer, denied the allegations of likelihood of confusion, contending, in part, that the "Walking Fingers" design, the only common element in the

involved marks, has been used by others to the extent that it has little, if any, distinctiveness. Accordingly, applicant contends that there is no likelihood of confusion.

This case now comes up on applicant's motion for summary judgment. Applicant contends that the "Walking Fingers" design has already been held to be generic in opposer's nonterritory of use by the Board and the United States Court of Appeals for the Federal Circuit, and that numerous third parties are using the "Walking Fingers" design in connection with yellow pages directories within opposer's claimed nine-state territory of use. Thus, applicant maintains that opposer's "Walking Fingers" design marks are not protectable as trademarks and that opposer's likelihood of confusion claim must fail. Applicant's motion is supported by declarations and voluminous related exhibits.

Opposer has objected to applicant's motion, contending that consumers within its claimed territory of use strongly associate the "Walking Fingers" design marks with opposer. With respect to prior litigation, opposer maintains that its rights in the "Walking Fingers" design marks *in its own territory of use* were never finally adjudicated. In support of its position that there are genuine issues of material fact regarding its trademark rights in its own territory of

use, opposer submitted an affidavit with voluminous exhibits.

Applicant filed a reply brief accompanied by an additional declaration and related exhibits.

Three months after the reply brief, applicant filed a "request for judicial notice in support of applicant's summary judgment motion." Accompanying this paper is a Memorandum Opinion issued on January 20, 1999 by the United States District Court for the Middle District of North Carolina in the case of BellSouth Corporation v. White Directory Publishers, Inc. and White Directory of Carolina, Inc. (Civil No. 1:97CV00897) Applicant asserts that while the Federal Circuit, in its decision (cited below), determined that opposer has no rights in the "Walking Fingers" design marks in its nonterritory, the District Court ruled that opposer has no rights in the "Walking Fingers" design marks even in its own territory of use because, in the Court's view, the "Walking Fingers" design is generic.

In the case of BellSouth Corp. v. DataNational Corp., 60 F.3d 1565, 35 USPQ2d 1554 (Fed. Cir. 1995), *aff'g*, 18 USPQ2d 1862 (TTAB 1991), the Federal Circuit agreed with the Board's conclusion that the "Walking Fingers" design "is a generic identifier of classified telephone directories in that part of the country not claimed by BellSouth." Id. at

1559. Inasmuch as the design is generic in opposer's nonterritory of use, it was determined that the design could not be registered as a trademark in the nine-state area that opposer serviced.

To the extent that a question remained as to opposer's common law rights in the "Walking Fingers" design in its own territory of use, that question now has been answered by the District Court in the civil action brought by opposer against a third party. The civil action arose out of opposer's claim against a third party that the third-party's "Walking Fingers" design infringed upon opposer's "Walking Fingers" design in areas where opposer provides local telephone service. The defendant in the civil action moved for summary judgment on the grounds that the "Walking Fingers" design claimed by opposer is not a valid and protectable trademark. In granting the defendant's motion, the District Court recounted the historical details of the adoption and use, both by opposer and others, of the "Walking Fingers" design. In doing so, the District Court considered the Federal Circuit's decision:

The court denied BellSouth's application because it found the "walking fingers" to be generic in non-BellSouth territory and thus ineligible for concurrent use registration. Since its loss in 1995, BellSouth has continued to object to use of the "walking fingers" in BellSouth territory, now asserting that it has trademark rights in the "walking fingers" under the common law.

On a record containing much of the same evidence as in the case at bar, in 1995 the Federal Circuit determined at the summary judgment stage that the "walking fingers" logo is generic. [citation omitted] The Federal Circuit limited its opinion, however, to the issue of the symbol's status in non-BellSouth territory because BellSouth had proposed concurrent use registration of the mark inside BellSouth territory, and once it was determined that the mark was generic outside BellSouth territory it was unnecessary to resolve its status inside.

Although the court's holding was no broader than it needed to be, which meant that the court confined its finding of genericness to non-BellSouth territory, there is no evidence in the record here which imposes such a limitation on the generic character of the "walking fingers" logo. The record in this case demonstrates that AT&T disavowed its interest in the symbol across the nation, without regard for Bell-affiliate or non-Bell affiliate territory, and also that AT&T and its affiliates encouraged and permitted independent publishers to use the logo regardless of the areas encompassed by the directories on which it was displayed...Thus while the DataNational holding does not control the outcome here, the logic of its decision that the mark is generic outside BellSouth territory applies with equal force inside BellSouth territory.

Not only is evidence that the actions of AT&T and BellSouth's predecessors somehow limited the generic character of the "walking fingers" to non-BellSouth territory absent from the record, the record also affirmatively demonstrates that the territorial

distinction upon which BellSouth's argument depends is meaningless with respect to yellow pages directories and the "walking fingers."

The District Court went on to conclude as follows:

In sum, [defendant] is entitled to summary judgment because the uncontested evidence overwhelmingly demonstrates that AT&T, which developed and implemented the "walking fingers" logo, placed the symbol in the public domain as a generic identifier of the yellow pages, by both its words and its actions...BellSouth cannot pull the symbol out of the public domain simply by introducing surveys which suggest that, in areas where BellSouth provides local telephone service, citizens associate the logo with BellSouth.

The District Court dismissed the civil action with prejudice.

Opposer has failed to file a response to applicant's submission of the District Court's decision, and we have no information that an appeal was taken from this decision.²

Under the doctrine of issue preclusion (i.e., collateral estoppel), once an issue is actually and necessarily determined by a court of competent jurisdiction, the determination reached by the court will, under ordinary

² Applicant's paper, filed March 5, 1999, bears a certificate of service on opposer's counsel. Thus, opposer's opportunity to respond has been safeguarded. Frankly, in the absence of an appeal of the District Court's decision, we are not surprised at opposer's failure to comment on the decision which clearly vitiates opposer's position in the present proceeding.

circumstances, serve as a bar against raising the same issue in a subsequent suit. *Mother's Restaurant Incorporated v. Mama's Pizza, Inc.*, 723 F.2d 1566, 221 USPQ 394 (Fed. Cir. 1983); and *Lukens Inc. v. Vesper Corp.*, 1 USPQ2d 1299 (TTAB 1986), *aff'd*, unpublished opinion, Appeal No. 87-1187, (Fed. Cir. September 18, 1987). In order for issue preclusion to apply, the following factors must be satisfied: (1) the issue to be determined is identical to the issue involved in the prior proceeding; (2) the issue to be determined was raised, litigated and actually adjudged in the prior proceeding; (3) the determination of the issue was necessary and essential to the resulting judgment; and (4) the party precluded was fully represented in the prior action and had a full and fair opportunity to litigate the issue to be precluded.

Based on the prior decisions of the Federal Circuit and the District Court, our view is that the four elements necessary for the application of issue preclusion have been met. The prior decisions, especially the District Court's decision which goes to the heart of opposer's claim herein, squarely dealt with the issue of genericness of the "Walking Fingers" design. This design forms a portion of applicant's mark and is, in fact, the common portion of opposer's and applicant's marks upon which opposer's claim of likelihood of confusion is based. In view of the combination of the

two prior decisions finding the "Walking Fingers" design to be generic, both in opposer's territory and non-territory of use, opposer's likelihood of confusion claim must fail.

See: Towers v. Advent Software, Inc., 913 F.2d 942, 16 USPQ2d 1039 (Fed. Cir. 1990); and Otto Roth & Co. v. Universal Foods Corp., 640 F.2d 1317, 209 USPQ 40 (CCPA 1981) [opposer must prove that it has proprietary rights in the mark it relies upon to prove likelihood of confusion].

The issue here is identical to one of the issues in the District Court civil action (the lack of distinctiveness of the "Walking Fingers" design upon which opposer bases its claim of likelihood of confusion); the issue of the validity and protectability (based on a defense of genericness) of opposer's "Walking Fingers" design was raised, litigated and actually adjudged in the prior proceedings; the determination of this issue which, of course, is dispositive of the likelihood of confusion claim, was necessary and essential to the resulting judgment; and opposer was fully represented and had a full and fair opportunity to litigate the issue of the validity and protectability of its "Walking Fingers" design in the prior proceedings.

In sum, opposer's claim of likelihood of confusion is based on the commonality of the "Walking Fingers" design that now has been held to be generic throughout the United States. The gravamen of opposer's notice of opposition is

that it has rights in the design in its territory of use. The District Court now has ruled, however, that opposer lacks any rights in the design, due to genericness, even in its own territory of use. Inasmuch as this use forms the basis of opposer's claim here, the claim must fail.³

One further comment is in order. The Federal Circuit's and the District Court's decisions addressed opposer's rights in the "Walking Fingers" design in terms of common law rights. The present opposition is based, as indicated above, on both common law rights and rights in the mark shown in Registration No. 1,327,713. To the extent that opposer still has rights in the registered mark, these rights cannot be interpreted to extend to the generic "Walking Fingers" design. And, applicant is attempting to register, as part of its mark, only the generic "Walking Fingers" design. Essentially, that opposer was able to register a version of the "Walking Fingers" design should not result in opposer's being able to prevent registration of applicant's mark that incorporates the generic portion.

³ In initially opposing summary judgment, opposer relied upon the Board's May 13, 1997 decision in Opposition No. 96,514 between opposer and a third party (BellSouth Corporation v. Yellow Pages Publishers Association dba YPPA). In that case, the Board denied the defendant's motion for summary judgment which was similar to the one here. The Board essentially ruled that, at that time, there was no final adjudication relating to opposer's common law rights in its territory of use or opposer's rights in its registration. Suffice it to say that the Board, in so ruling, obviously did not have the benefit of the District Court's January 1999 decision.

Compare: BellSouth Corp. v. DataNational Corp., supra at 1558 ["[W]e find unpersuasive BellSouth's argument that because it was able to register a similar mark (the two fingered version of the "Walking Fingers"), it should be able to register a mark that has become generic and that nearly everyone in the industry is using in the nonterritory."]

In view of the above, applicant's motion for summary judgment is granted.⁴

One final matter requires our attention. Given the holdings of the Federal Circuit and the District Court, and our decision herein, it is clear that the "Walking Fingers" design in applicant's mark must be disclaimed. Applicant itself has stated that the "Walking Fingers" design "is a generic symbol for yellow page directories, and free for all to use." (applicant's motion for summary judgment, p. 1)

⁴ Some of opposer's remarks reveal that opposer is concerned about applicant's business practices. Opposer asserts that applicant uses the "Walking Fingers" design "on solicitations or 'fake bills' that are mass mailed to unsuspecting advertisers in traditional Yellow Pages directories" and that "[m]any advertisers pay these 'bills' mistakenly believing that they have paid for existing or renewed advertising in the traditional directory or an affiliated electronic product." (brief in opposition to applicant's motion for summary judgment) On opposer's Internet web site, a notice captioned "Fake Yellow Pages invoice" appears which warns others that the invoice is in reality "a clever ad designed to get you to place a listing in another directory with a tiny or non-existent circulation." (exhibit no. 1, James Paine declaration) To the extent that such allegations drove opposer's decision to file the present opposition, suffice it to say that the Board is hardly the proper forum to adjudicate such grievances.

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Accordingly, applicant is allowed until twenty days from the mailing date hereof to submit a disclaimer of the "Walking Fingers" design apart from its mark. The disclaimer should read as follows: "No claim is made to the exclusive right to use the 'Walking Fingers' design apart from the mark as shown."

Upon submission of the required disclaimer, the opposition will be dismissed. Proceedings otherwise remain suspended.

R. L. Simms

E. J. Seeherman

T. J. Quinn
Administrative Trademark
Judges, Trademark Trial
and Appeal Board